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ABSTRACT

A follow-up audit evaluated the program effectiveness of three Kulick Youth Opportunity pilot grants. For the 105-participant sample in the initial audit, earnings were analyzed to determine whether youths' earnings increased or decreased in the year after the initial evaluation. Separate earnings analyses were performed for calendar year 1999 for the entire 1,851 participant universe for the three pilot grants. Overall, approximately 70 percent had earnings in the follow-up period--69 percent for the sample; 71 percent for the universe--with an overall annual earnings increase for the sample from $4,217 to $5,482. For the universe, average annual earnings were $5,982. Tracking the earnings of the sample disclosed 34 percent of the earnings showed no significant increase or decrease between the 2 periods; 30 percent decreased; and 36 percent increased; about half had no earnings in the last quarter of the evaluation period; of the sample who had earnings in that quarter, those with quarterly earnings over $2,000 increased from 28 percent to 49 percent. For the follow-up audit period, of the 72 sample participants with earnings, 82 percent had 3 or fewer employers, and 68 percent had earnings in more than 2 quarters. Of the 1,310 universe participants with earnings, 87 percent had 3 or fewer employers, and 61 percent had earnings in more than 2 quarters. While earnings outcomes appeared to be improving, grantees' services still needed to be improved to lead these youths to self sufficiency. (YLB)

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ANALYSES OF PARTICIPANTS' EARNINGS FOR THREE KULICK YOUTH OPPORTUNITY PILOT SITES – A FOLLOWUP TO OUR AUDIT FINDINGS FROM THE FIRST 18 MONTHS OF THE PROGRAMS' OPERATIONS

Office of Inspector General
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ABBREVIATIONS

DOL	U.S. Department of Labor
ETA	Employment and Training Administration
JTPA	Job Training Partnership Act
Kulick	Donald J. Kulick Youth Opportunities Demonstration Project
SDA	Service Delivery Area
WIA	Workforce Investment Act

EXECUTIVE SUMMARY

On March 22, 2000, we issued final audit report number 06-00-002-03-340, "*Audit Findings from First 18 Months of the Three Kulick Youth Opportunity Pilot Sites Suggest Additional Innovation Is Needed For Youth Training Undertaken With JTPA Demonstration Grant Funds.*" That report represented a snapshot in the early stages of these Youth Opportunity pilot sites that the Employment and Training Administration (ETA) conceded was a learning process. One of our initial report findings indicated *the program should aim toward having a greater impact on earnings*. ETA commented on the experimental nature of these pilot grants and the lessons learned from them and indicated the three sites included in our audit have improved since the period we examined.

Consequently, for the 105 participant sample included in our initial audit, we analyzed earnings for a subsequent 12-month period (April 1, 1999, through March 31, 2000) to determine whether youths' earnings increased or decreased in the year after our initial evaluation. We also performed separate earnings analyses for calendar year 1999 for the entire 1,851 participant universe (as of September 30, 1998) for the three pilot grants.

The objective of this followup audit was to provide DOL management with additional independent information regarding program results from these Kulick pilot demonstration grants. Recommendations were made in the initial report. This audit is a results followup audit; consequently, this report does not include recommendations but is for information purposes only.

Participants' Earnings

Overall, approximately 70 percent of the participants had earnings in the followup period – 69 percent for the sample; 71 percent for the universe – with an overall annual earnings **increase** for the participant sample from $4,217 in the initial audit to $5,482 in the followup. For the participant universe, average annual earnings were $5,982.

Tracking the earnings of the specific 105 sampled participants disclosed: 34 percent of the participants' earnings showed **no significant increase or decrease** between the two periods; 30 percent of the participants' earnings **decreased**; and 36 percent of the participants' earnings **increased**.

Participants' Attachment to the Labor Market

As a measure of program accomplishment, we evaluated

- continuity of employment measured by (1) sustained employment from quarter to quarter, (2) the number of quarters participants had earnings in the 4-quarter evaluation period, and (3) the number of different employers participants had in the 4-quarter evaluation period; and

- participants' earnings during the last quarter of our evaluation periods.

While approximately half of the participants had no earnings in the last quarter of our evaluation period (49 percent, initial audit sample; 55 percent, followup audit sample; 46 percent, universe), of the 105 participant sample who did have earnings in the last quarter evaluated, those with **quarterly** earnings over $2,000 increased from 28 percent from the initial audit sample to 49 percent for the followup audit sample. Also, 52 percent of those in the universe with earnings in the last quarter evaluated had **quarterly** earnings over $2,000.

Also, for the followup audit period:

- Of the 72 participants in the sample with earnings, 82 percent had 3 or fewer employers, and 68 percent had earnings in more than 2 quarters.

- Of the 1,310 participants in the participant universe with earnings, 87 percent had 3 or fewer employers, and 61 percent had earnings in more than 2 quarters.

While the earnings outcomes appear to be improving, grantees' services still need to be improved to lead these youths to self-sufficiency. In our opinion, ETA should continue to evaluate the performance of these grantees, and the WIA-funded Youth Opportunity operational grantees, to attempt to increase the number of youths who obtain and maintain employment and increase their annual earnings.

BACKGROUND

The Department of Labor (DOL), Employment and Training Administration (ETA), awarded Job Training Partnership Act (JTPA), Title IV, Youth Opportunity demonstration grants (referred to as Kulick grants) to several cities including the three pilot cities whose programs we audited – Chicago, Houston, and Los Angeles. While these pilot grants were experimental, the Youth Opportunity programs were intended to provide a wide range of services to out-of-school youth, ages 16 through 24, in each city's designated low income neighborhood with the ultimate program goal being increased youths' employment and earnings.

These three demonstration grants were intended to provide for early implementation of, and assist in developing guidelines for transition to, the Youth Opportunity program under the new Workforce Investment Act (WIA). ETA acknowledged that the Youth Opportunity pilot sites' efforts are very much learning laboratories; i.e., the purpose of these pilot sites is to learn from them so that ETA can avoid problems in implementing the larger youth initiative.

These Youth Opportunity grants' statements of work provided: *The purpose of this grant is to conduct a demonstration for a comprehensive approach aimed at improving the labor market prospects of out-of-school youth in high-poverty areas.* Priority was to be given to high school dropouts. The primary goal was to focus initiatives on getting out-of-school youth ages 16 through 24 into long-term employment at earnings levels that would prevent future dependency.

In 1996, the three cities were initially awarded funds for 18 months. However, ETA modified all three grants extending the program. The grant periods were as follows:

- Chicago — June 28, 1996, through June 30, 2000
- Houston — June 28, 1996, through December 31, 1999
- Los Angeles — June 28, 1996, through December 31, 2000

On March 22, 2000, we issued final audit report number 06-00-002-03-340, "*Audit Findings from First 18 Months of the Three Kulick Youth Opportunity Pilot Sites Suggest Additional Innovation Is Needed For Youth Training Undertaken With JTPA Demonstration Grant Funds.*" That report represented a snapshot in the early stages of these Youth Opportunity pilot sites that ETA considered a learning process.

One of our findings from our initial report indicated *the program should aim toward having a greater impact on earnings.* ETA commented on the experimental nature of these pilot grants and the lessons learned from them and indicated the three sites included in our audit have improved since the period we examined.

Because our previous audit looked at earnings for such an early period – April 1, 1998, through March 31, 1999 – we did an earnings followup for a subsequent 12-month period to determine whether youths' earnings increased or decreased in the year after our initial evaluation.
The earnings analysis from the initial report was for only 105 randomly selected participants from a universe of 1,865 participants. In addition to some data presented in the initial report, this followup report shows employment and earnings data for:

- 105 participants included in our original **sample.** We performed additional analyses of employment and earnings of these participants for the period April 1, 1999, through March 31, 2000 – the 12-month period subsequent to our first 12-month evaluation period, and

- **1,851**[1] **total** participants – including the 105 sample participants – the three pilot sites enrolled through September 30, 1998. These participants' employment and earnings were analyzed for the period January 1, 1999, through December 31, 1999.

[1] There were 1,865 participants enrolled through September 30, 1998. However, we could not evaluate the earnings for 14 participants because we were unable to obtain good social security numbers for those participants. All subsequent report references to the *participant universe* or *total participants* refer to the 1,851 participants for whom we had social security numbers.

OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of this followup audit is to provide DOL management with additional independent information regarding program results from these Kulick pilot demonstration grants. Because participants are not terminated from these grants until the grants expire, we could not evaluate the effectiveness of the grantees' services by looking at post-program employment and earnings. Consequently, we evaluated the three programs' effectiveness by analyzing another year of participants' earnings for the original sample of 105 participants and by analyzing calendar year 1999 earnings for all participants these three pilot grantees enrolled through September 30, 1998.
Using wage history files maintained by the State Employment Security Agencies, we evaluated earnings as follows:

- For the **105** participants included in our original **sample,** we performed some of the same earnings evaluations as we did in our initial audit (April 1, 1998, through March 31, 1999) for the period April 1, 1999, through March 1, 2000 -- the 12-month period subsequent to our first audit evaluation period. We then compared the earnings outcomes for the followup audit period to those of the initial audit period.

- For the **1,851 total** participant universe the three pilot sites enrolled through September 30, 1998, we evaluated earnings for the period January 1, 1999, through December 31, 1999.

Our audit was performed in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States.

FOLLOWUP AUDIT RESULTS

Our initial audit found that even though these three SDAs' Kulick grant programs were still ongoing during our audit, and all participants are still considered enrolled until the grants terminate, the 105 sampled participants' annual earnings were generally low and almost half of the participants had no earnings in the last quarter for which we evaluated earnings. ETA provided their insights as to why earnings were low and why participants did not have earnings in the last quarter we evaluated. Examples include:

- Our evaluation period included a time period before some were enrolled.
- These youths are from high poverty areas; consequently, employment and earnings are expected to be lower than for participants in traditional job training programs.
- The last quarter of earnings we evaluated was a time period when youth may have been in school.

While we do not disagree with ETA's comments, as we pointed out in our prior report, 74 percent of the sample we evaluated had some earnings; consequently, most were working at some point during the 12-month period for which we evaluated earnings.

As we also pointed out in our prior report, the OIG realizes that these pilot demonstrations were a learning experience, and that youth from these high poverty neighborhoods are not expected to immediately attain self-sufficiency. However, we analyzed reported earnings for these participants to attempt to determine what effects the program had on the participants' earnings capacities. While earnings self-sufficiency may not be an immediate goal of the program, the ultimate goal is increased earnings. Our presentations of participants' earnings in the prior report were not intended to indicate that the program has not helped the impoverished youth, but were presented as facts at the time of our evaluation.

Because our initial audit of the Kulick program's outcomes was early in the grantees' performance periods, we performed a followup audit to determine the sampled participants' earnings capacities in the 12-month period subsequent to our initial audit. We have also evaluated calendar year 1999 earnings for the 1,851 participant universe these three Kulick pilot grantees enrolled as of September 30, 1998.

1. **Participants' Annual Earnings for the Followup Period Compared to the Initial Audit Period.**

Tables 1 through 3 present participants' earnings results for:

- 105 participant sample for initial audit period (April 1, 1998, through March 31, 1999) and followup audit period (April 1, 1999, through March 31, 2000).
- 1,851 participant universe earnings results for the calendar year January 1, 1999, through December 31, 1999.

Table 1 presents an overall summary of earnings data for the 105 sample (both initial and followup audit) and 1,851 participant universe (for followup audit).

Table 1
Summary Comparison of Participants' Earnings
105 Participant Sample (for Initial and Followup Audit) and
1,851 Participant Universe (for Followup Audit)

Earnings Range	Cumulative Percentage of Participants by Earnings Range			Cumulative Average Earnings[2]		
	105 Sample Initial Audit	105 Sample Followup Audit	1,851 Universe Followup Audit	105 Sample Initial Audit	105 Sample Followup Audit	1,851 Universe Followup Audit
$0	25.7%	31.4%	29.2%			
$1 - $999	43.8%	47.6%	43.9%	$393	$471	$424
$1,000 - $1,999	53.3%	50.5%	52.5%	$726	$581	$804
$2,000 - $3,999	66.6%	63.8%	64.6%	$1,448	$1,688	$1,541
$4,000 - $5,999	80.9%	77.1%	72.9%	$2,323	$2,622	$2,187
$6,000 - $7,999	90.4%	82.8%	79.9%	$3,034	$3,108	$2,856
$8,000 - $9,999	92.4%	86.6%	84.4%	$3,217	$3,510	$3,367
$10,000 - $11,999	96.2%	93.3%	88.2%	$3,634	$4,381	$3,863
$12,000 and above	100.0%	100.0%	100.0%	$4,217	$5,482	$5,982

[2] Only computed for those participants who had earnings.

As table 1 shows, our comparison of 12-months' subsequent earnings to our initial audit's earnings results for the 105 participant sample disclosed:

- The percentage of participants with $0 earnings **increased** from 25.7 percent to 31.4 percent.
- The percentage of participants with $0 earnings or whose annual earnings were less than $4,000 **decreased** from 66.6 percent to 63.8 percent. The average annual earnings for the participants in this group who had earnings **increased** from $1,448 to $1,688.
- The overall average earnings **increased** from $4,217 to $5,482.

Table 2 presents the complete annual earnings results for the initial and followup audits for the 105 participant sample.

Table 2
105 Sample Participants' Earnings for the Initial Audit Period Compared to the Earnings for the Followup Audit Period (April 1998 Through March 1999 and April 1999 Through March 2000)

Earnings Range	Number of Participants		Cumulative Percent of Participants		Average Earnings		Cumulative Average Earnings	
	Initial	Followup	Initial	Followup	Initial	Followup	Initial	Followup
$0	27	33	25.7%	31.4%				
$1 - $999	19	17	43.8%	47.6%	$393	$471	$393	$471
$1,000 - $1,999	10	3	53.3%	50.5%	$1,359	$1,202	$726	$581
$2,000 - $3,999	14	14	66.6%	63.8%	$2,943	$3,269	$1,448	$1,688
$4,000 - $5,999	15	14	80.9%	77.1%	$4,830	$4,904	$2,323	$2,622
$6,000 - $7,999	10	6	90.4%	82.8%	$7,161	$7,002	$3,034	$3,108
$8,000 - $9,999	2	4	92.4%	86.6%	$9,435	$8,938	$3,217	$3,510
$10,000 - $11,999	4	7	96.2%	93.3%	$10,922	$11,598	$3,634	$4,381

$12,000 and above	4	7	100.0%	100.0%	$15,004	$15,701	$4,217	$5,482

While the number of participants with **no reported earnings increased** from 27 to 33, a 6 percent increase for the total participant sample, the number of participants who **earned $8,000 or more increased** from 10 to18, an 8 percent increase for the total 105 participant sample. Furthermore, of those participants with earnings, those with earnings over $8,000 increased from 13 percent (10 of 78) to 25 percent (18 of 72).

Table 3 shows our analysis of calendar year 1999 earnings for all 1,851 participants enrolled as of September 30, 1998.

Table 3
Universe of 1,851 of Participants' Earnings for the Followup Audit Period
January 1999 Through December 1999

Earnings Range	Number of Participants	Cumulative Percent of Participants	Average Earnings	Cumulative Average Earnings
$0	541	29.2%		
$1 - $999	273	43.9%	$424	$424
$1,000 - $1,999	159	52.5%	$1,456	$804
$2,000 - $3,999	224	64.6%	$2,962	$1,541
$4,000 - $5,999	153	72.9%	$4,956	$2,187
$6,000 - $7,999	129	79.9%	$7,056	$2,856
$8,000 - $9,999	84	84.4%	$9,073	$3,367
$10,000 - $11,999	71	88.2%	$10,990	$3,863
$12,000 and above	217	100.0%	$16,656	$5,982

Our analysis disclosed:

- 29.2 percent (541 participants) had $0 annual earnings. This percentage of participants with no reported earnings is comparable to both the 105 participant sample results for both the initial audit (25.7 percent) and followup audit (31.4 percent).

- 64.6 percent (1,197 participants) had $0 earnings or annual earnings of less than $4,000. This percentage is also comparable to the 105 participant sample results for

both the initial audit (66.6 percent) and followup audit (63.8 percent). The average annual earnings for participants in this group who had earnings was $1,541. These earnings are higher than the 105 participant sample results for this same earnings range group for the initial audit ($1,448) but lower than the 105 sample results for the followup audit ($1,688).

- The overall average earnings for the 1,310 participants with earnings were $5,982. These earnings are higher than the $4,217 average earnings of the 78 participants who had earnings out of the105 participants in the initial audit earnings evaluation period and higher than the $5,482 average earnings of the 72 participants who had earnings out of the105 participants in the followup audit.

2. Changes in Earnings Capacity for Specific Participants.

In comparing results between the initial and followup audits, we not only looked for changes in the total numbers/percentages of participants in various earnings ranges between the two periods, but we also analyzed the specific earnings changes of the 105 sampled enrollees as follows:

- those with no earnings in either the initial or followup audit,
- those with no earnings in the initial audit but had earnings in followup audit,
- those with earnings in the initial audit but no earnings in the followup audit, and
- those with earnings in both the initial and followup audit.

The following chart shows the outcomes of these analyses while table 4 shows the specific details of participant movement by earnings ranges.

	Did Participants Have Earnings in Followup Audit Period?	
	YES	NO
Participants Who Had No Earnings in Initial Audit Period (27)	11 (11%)	16 (15%)
Participants Who Had Earnings in Initial Audit Period (78)	62 (59%)	16 (15%)

Table 4 on the next page shows the **changes in earnings ranges for the 105 participant sample** from the initial audit to the followup audit periods by showing the movement of specific participants from one earnings range to another. The shaded boxes indicate participants whose reported earnings range did not change between the initial and followup audit periods. Above the shaded area represents

those participants with earnings increases; conversely, below the shaded area represents participants with earnings decreases.

Table 4
Changes in Participants' Earnings Between the Initial and Followup Audit Periods
105 Participant Sample

		Earnings for Followup Audit Period									
	Earnings Ranges	No Wages	Under $1,000	$1,000-$1,999	$2,000-$3,999	$4,000-$5,999	$6,000-$7,999	$8,000-$9,999	$10,000-$11,999	Over $12,000	Initial Audit Totals
Earnings Initial Audit Period	No Wages	16	6		4		1				27
	Under $1,000	6	5	3	2	2	1				19
	$1,000-$1,999	3	1		1	2			2	1	10
	$2,000-$3,999	3	3		5			1	1	1	14
	$4,000-$5,999	1	2		1	5	3		2	1	15
	$6,000-$7,999	2				3	1	2		2	10
	$8,000-$9,999	1						1			2
	$10,000-$11,999	1			1	1			1		4
	$12,000 and over					1			1	2	4
	Followup Audit Totals	33	17	3	14	14	6	4	7	7	105

An analysis of the changes for the105 participant sample for the followup audit is presented below:

- 36 participants' (34 percent) earnings showed **no significant increase or decrease** between the two periods (shaded area);
- 31 participants' (30 percent) earnings **decreased** (below shaded area); and
- 38 participants' (36 percent) earnings **increased** (above shaded area).

3. Earnings by Age at Enrollment.

We were able to analyze age at time of enrollment for only 1,464 of the 1,851 participant universe because we had participants' age for only two of the three pilot grantees. Age information for these 1,464 participants and their earnings ranges by age are presented below.

Table 5
Ages of Participant Universe

Age Ranges	Number of Participants	Percentage of Participants
14 - 17	259	18%
18 - 19	565	39%
20 - 21	382	26%
22 - 23	195	13%
24 and over	63	4%
Total	1,464	100%

Table 6
Participants' Earnings for 1,464 Participant Universe (for Followup Audit)
For Which We Had Participants' Age

Earnings Range	Age Ranges											
	14 - 17		18 -19		20 -21		22 -23		24 +		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
$0	103	40%	137	24%	86	23%	56	29%	17	27%	399	27%
$1 - $999	43	17%	88	16%	49	13%	24	12%	14	22%	218	15%
$1,000 - $1,999	32	12%	47	8%	24	6%	12	6%	4	6%	119	8%
$2,000 - $3,999	27	10%	68	12%	55	14%	23	12%	4	6%	177	12%
$4,000 - $5,999	21	8%	52	9%	34	9%	16	8%	7	11%	130	9%
$6,000 - $7,999	10	4%	44	8%	33	9%	16	8%	3	5%	106	7%
$8,000 - $9,999	11	4%	29	5%	20	5%	8	4%	1	2%	69	5%
$10,000 - $11,999	3	1%	36	6%	13	3%	7	4%	4	6%	63	4%

$12,000 and above	9	3%	64	11%	68	18%	33	17%	9	14%	183	13%
Totals	259	100%	565	100%	382	100%	195	100%	63	100%	1,464	100%

4. Participants' Attachment to the Labor Market.

In our initial audit we reported that, while 74 percent of the sampled participants had been employed at some point during the 12-month period April 1, 1998, through March 31, 1999, only 51 percent had reported earnings during the last of the four quarters of earnings we analyzed.

ETA responded to our initial report that it is to be expected that the proportion of participants employed in any given quarter will be lower than the proportion employed in a given year because the longer the time period, the more time an individual has to be employed. ETA also responded that youth attending high schools, alternative high schools, or college may not have had earnings during this period – January 1 to March 31, 1999 – a period of time when those attending school would be in school. We do not disagree with ETA's responses.

However, while our initial report showed that 35 percent of the participants attended high school, alternative school, or college, it was unclear from the enrollees' files how long they continued in these activities; i.e., some may not have been actively attending school but could have been working during enrollment. Others of those attending school could also have been working while attending school. Consequently, we still consider continuity of earnings as one measure of attachment to the labor force.

A. Participants with earnings in the last quarter we analyzed.

We determined the following number/percentage of participants had earnings in the indicated quarters for the 105 participant sample.

Initial audit (74 percent had earnings)	Followup Audit (69 percent had earnings)
o 49 (47%) in the 2nd quarter 1998	o 51 (49%) in the 2nd quarter 1999
o 56 (53%) in the 3rd quarter 1998	o 53 (50%) in the 3rd quarter 1999
o 62 (59%) in the 4th quarter 1998	o 59 (56 %) in the 4th quarter 1999
o 54 (51%) in the 1st quarter 1999	o 47 (45 %) in the 1st quarter 2000

While we realize that we are evaluating the earnings of youth from impoverished areas, the Youth Opportunity program's ultimate intent is to increase these youth's employment and earnings. As a measure of program accomplishment, one would also expect continuity of employment to increase as time passes. As shown above, for the 105 participant sample in the initial audit, the number of participants employed did increase in every quarter but the last in which the number employed decreased. In the followup audit for these same 105 participants, the trend was the same. In fact, the percentage of youth working in the last quarter of the evaluation period **decreased** from 51 percent in

the first year to 45 percent in the second year.

For the 1,851 participant universe, 71 percent (1,310) had earnings at some time during the followup audit period. Of the participant universe, the following number/percentage of participants had earnings in the indicated quarters:

- 849 (46%) in the 1st quarter 1999
- 914 (49%) in the 2nd quarter 1999
- 962 (52%) in the 3rd quarter 1999
- 999 (54%) in the 4th quarter 1999

Unlike the 105 sample initial and followup audit results – where the number of participants employed in the last quarters decreased – for the 1,851 participant universe, the number of participants with earnings increased in all quarters.

B. Participants' quarterly earnings for the last quarter evaluated.

While the number/percentage of participants with earnings in the last quarter evaluated -- as shown in finding A above – is an indicator of continuity of employment, it is incomplete without an analysis of the earnings in that quarter; i.e., $1 in earnings would give one earnings in the quarter, but would not indicate substantial employment. Consequently, we also examined continuity of employment by examining reported earnings. Table 7 shows details for the 54 sampled participants with **quarterly** earnings in the first quarter 1999 (initial audit) and 47 sampled participants with **quarterly** earnings in the first quarter 2000 (followup audit), the last quarters of earnings analyzed for the respective audit periods.

Table 7
Sample Participants With Earnings For the First Quarters 1999 and 2000

Quarterly Earnings	Number of Participants		Percentage	
	1st qtr 1999	1st qtr 2000	1st qtr 1999	1st qtr 2000
$1 to $499	18	11	33%	23%
$500 to $999	3	2	6%	4%
$1,000 to $1,999	18	11	33%	23%
$2,000 to $2,999	8	7	15%	15%
$3,000 to $3,999	4	9	7%	19%
$4,000 to $4,999	1	5	2%	11%
$5,000 to $5,999	2	1	4%	2%
Over $6,000		1	0%	2%

Total	54	47	100%	100%

Table 8 shows **quarterly** earnings for the 999 participants in the universe who had earnings for the last quarter of 1999, the last of four quarters analyzed for the participant universe.

Table 8
Universe of 999 Participants With Earnings
For the 4th Quarter 1999

Quarterly Earnings	Number of Participants	Percentage of Universe
$1 to $499	190	19%
$500 to $999	120	12%
$1,000 to $1,999	173	17%
$2,000 to $2,999	176	18%
$3,000 to $3,999	132	13%
$4,000 to $4,999	108	11%
$5,000 to $5,999	50	5%
Over $6,000	50	5%
Total	999	100%

While approximately half of the participants had no earnings in the last quarter of our evaluation period (49 percent initial audit sample; 55 percent followup audit sample; 46 percent universe), it appears that the earnings for those who did have earnings in the last quarter increased, both for the sample and universe. As table 7 shows, for those with earnings in the quarter, the percentage with **quarterly** earnings over $2,000 increased from 28 percent from the initial audit sample to 49 percent for the followup audit sample. Table 8 shows that 52 percent of those in the universe with earnings had quarterly earnings over $2,000.

C. Number of employers participants had during evaluation period.

In our opinion, another measure of attachment to the labor market is the number of employers these youths had in a 12-month period. While we realize that these participants are youths and are probably apt to change jobs more often than adults, these youths are from impoverished areas where the unemployment rate among youths is extremely high; consequently, one would assume that employment opportunities for these youths are limited.

Consequently, we also evaluated for the followup period, both for the 105 sample and the 1,851 participant universe, the number of employers the participants had during the four quarters of earnings we evaluated. Table 9 displays the results of that analysis.

Table 9
Number of Different Employers Participants Had During the Four Quarters of Earnings Analyzed For the Followup Audit Periods

Number of Employers	Followup Audit Group Analyzed			
	105 Participant Sample		1,851 Participant Universe	
	Number	Percentage[3]	Number	Percentage[4]
0	33		541	
1	29	40%	569	44%
2	21	29%	363	28%
3	9	13%	202	15%
4	7	10%	102	8%
5	5	7%	43	3%
6	1	1%	16	1%
7 or more			15	1%
Total	105	100%	1,851	100%

For the participant sample, of those with earnings, 82 percent had 3 or fewer employers; for the participant universe, 87 percent had 3 or fewer employers.

For additional information purposes, we also analyzed the number of employers these youth had by the youths' ages at enrollment, for those participants for whom we had age. Table 10 presents the information for the sample; table 11, for the participant universe

[3]Based on the 72 participants who had earnings.

[4]Based on the 1,310 participants who had earnings.

Table 10
Number of Employers Participants Had
for 85 of the 105 Participant Sample (for Followup Audit)
For Which We Had Participants Age

Number of Employers	Age Ranges											
	14 - 17		18 -19		20 -21		22 -23		24 +		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
0	6	50%	14	37%	1	5%	4	31%		0%	25	29%
1	1	8%	6	16%	10	48%	5	38%	1	100%	23	27%
2	1	8%	11	29%	3	14%	2	15%		0%	17	20%
3	1	8%	3	8%	2	10%	1	8%		0%	7	8%
4	2	17%	2	5%	2	10%	1	8%		0%	7	8%
5	1	8%	1	3%	3	14%		0%		0%	5	6%
6		0%	1	3%		0%		0%		0%	1	1%
Totals	12	100%	38	100%	21	100%	13	100%	1	100%	85	100%

Table 11
Number of Employers Participants Had
for 1,461 Participant Universe (for Followup Audit)
For Which We Had Participants Age

Number of Employers	Age Ranges											
	14 - 17		18 -19		20 -21		22 -23		24 +		Total	
	#	%	#		#	%	#	%	#	%	#	%
0	103	40%	137	24%	86	23%	56	29%	17	27%	399	27%
1	75	29%	180	32%	118	31%	54	28%	26	41%	453	31%
2	39	15%	128	23%	74	19%	41	21%	8	13%	290	20%

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3	23	9%	66	12%	55	14%	18	9%	6	10%	168	11%
4	14	5%	27	5%	34	9%	10	5%	2	3%	87	6%
5	5	2%	14	2%	8	2%	8	4%	2	3%	37	3%
6		0%	5	1%	5	1%	4	2%	1	2%	15	1%
7 or more		0%	8	1%	2	1%	4	2%	1	2%	15	1%
Totals	259	100%	565	100%	382	100%	195	100%	63	100%	1,464	100%

D. Number of quarters in which participants had earnings.

Finally, the last measure of labor market attachment we attempted to analyze was the number of quarters in which the participants had earnings during our followup audit evaluation periods for both the sample (table 12) and the participant universe (table 13).

Table 12
Number of Quarters of Earnings Participants Had for 72 of the 105 Participant Sample Who Had Earnings

Number of Earnings Quarters	72 Participants with Earnings	
	Number of Participants	Percentage of Participants
1	12	17%
2	11	15%
3	20	28%
4	29	40%

Table 13
Number of Quarters of Earnings Participants Had for 1,310 of the 1,851 Participant Universe Who Had Earnings

	1,310 Participants with Earnings
Number of Earnings Quarters	

	Number of Participants	Percentage of Participants
1	235	18%
2	277	21%
3	257	20%
4	541	41%

As tables 12 and 13 show, of those participants who had earnings: 68 percent of the sample had earnings in more than two quarters; for the participant universe, 61 percent. Forty (40) percent of both groups had wages in all four quarters.